



U.S. DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(Docket T-1-2012)

Foreign-Trade Zone 267 – Fargo, North Dakota
Application for Temporary/Interim Manufacturing Authority
CNH America, LLC
(Agricultural and Construction Equipment Manufacturing)
Fargo, North Dakota

An application has been submitted to the Executive Secretary of the Foreign-Trade Zones Board (the Board) by the Fargo Municipal Airport Authority, grantee of FTZ 267, requesting temporary/interim manufacturing (T/IM) authority within Site 2 of FTZ 267 at two CNH America, LLC (CNH) facilities, located in Fargo, North Dakota. The application was filed on January 12, 2012.

The CNH facilities (761 employees, capacity – up to 7,200 agricultural tractors and 4,000 construction wheel loaders/year) were approved by the Board in 2009 for the manufacture of agricultural tractors (HTSUS 8701.90) and construction wheel loaders (HTSUS 8429.51) (Board Order 1639, 74 FR 41373, 8/17/2009). Under T/IM procedures, CNH has requested additional authority to produce certain related subassemblies and parts of tractors, combines, and wheel loaders. The additional activity would involve the manufacture of the following equipment (approx. 1,000 units of each/year): cabs for agricultural tractors and other special-purpose vehicles (HTSUS 8707.90, duty rate range - free to 4%); track-laying tractors for agriculture and construction (HTSUS 8701.30, duty-free); cabs and steps for construction equipment (HTSUS 8431.49, duty-free); combine parts and subassemblies, including undercarriages and track kits (HTSUS 8433.90, duty free); tractor parts and subassemblies, including front fenders (HTSUS 8708.29, duty rate range - free to

2.5%); radiators and radiator parts (HTSUS 8708.91, duty free); and, undercarriages, front and rear frames, battery doors, hydraulic tanks, draw bars and connecting links (HTSUS 8708.99, duty free). Foreign components that would be used in production (representing some 30% to 40% of the value of the finished products) include: rubber hoses (HTSUS 4009.21, 4009.22, 4009.31); rubber transmission belts (HTSUS 4010.33); rubber floor mats (HTSUS 4016.91); cork friction rings (HTSUS 4504.90); cardboard boxes and sheets (HTSUS 4819.10); manuals (HTSUS 4901.99); instruction sheets (HTSUS 4911.10); iron and steel hardware, including pin stops (HTSUS 7301.61), fittings (HTSUS 7307.92, 7307.99), and washers/locks/clips (HTSUS 7318.21, HTSUS 7318.24); copper wire and cable (HTSUS 7413.00); metal latches and locks (HTSUS 8301.20); metal sign plates (HTSUS 8310.00); fans (HTSUS 8414.59); valves (HTSUS 8413.81, 8481.30); electric heating apparatus (HTSUS 8516.29); audio speakers and parts (HTSUS 8518.90); speed sensors (HTSUS 8526.10), switches (HTSUS 8536.50); terminals and couplings (HTSUS 8536.90); insulated wire/harness assemblies (HTSUS 8544.30); bumpers (HTSUS 8708.10); cab suspension system components (HTSUS 8708.80); and, heater controls (HTSUS 9032.89). Duty rates range from duty free to 8.5 percent. T/IM authority could be granted for a period of up to two years.

FTZ procedures could exempt CNH from customs duty payments on the foreign components used in export production. The company anticipates that 30 to 45 percent of the facilities' shipments will be exported. On its domestic sales, CNH would be able to choose the duty rates during customs entry procedures that apply to the finished

subassemblies and parts (duty rate range, duty-free to 4%) for the foreign inputs noted above.

In accordance with the Board's regulations, Diane Finver of the FTZ Staff is designated examiner to evaluate and analyze the facts and information presented in the application and case record and to report findings and recommendations pursuant to Board Orders 1347 and 1480.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at the following address: Office of the Executive Secretary, Foreign-Trade Zones Board, U.S. Department of Commerce, Room 2111, 1401 Constitution Ave., NW, Washington, DC 20230. The closing period for their receipt is ***[insert 30 days from date of publication]***.

A copy of the application will be available for public inspection at the Office of the Foreign-Trade Zones Board's Executive Secretary at the address listed above, and in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz. For further information, contact Diane Finver at Diane.Finver@trade.gov or (202) 482-1367.

Dated: January 12, 2012

Andrew McGilvray
Executive Secretary